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February 13, 2002

Honorable Felix J. Boudreaux Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: <u>APPLICATION FOR PUBLIC HEARING</u>

UL-4 Zone, Reservoir K, POINTE-A-LA-HACHE FIELD, Plaquemines Parish, Louisiana.

Dear Sir:

BASS ENTERPRISES PRODUCTION CO. ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an order pertaining to the following matters relating to the UL-4 Zone, Reservoir K, in the Pointe-A-La-Hache Field, Plaquemines Parish, Louisiana:

- 1. To establish rules and regulations governing the exploration for and production of oil and gas from the UL-4 Zone, Reservoir K.
- 2. To create a single drilling and production unit for the exploration for and production of oil and gas from the UL-4 Zone, Reservoir K, such unit being shown on the attached plat and being designated UL-4 RK SUA.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
- 4. To designate Applicant as Operator of, and its Beshel Industries No. 1 Well, as the unit well for, the proposed unit.
- 5. To provide that all wells drilled in the future to the UL-4 Zone outside of the unit proposed herein be located in accordance with the provisions of Statewide Order No. 29-E.
- 6. To provide that any future replacement and/or alternate unit well for UL-4 RK SUA be exempt from the well location provisions of Statewide Order No. 29-E.
- 7. To provide that the Commissioner of Conservation may reclassify this reservoir by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.

- 8. To define the UL-4 Zone, Reservoir K, as that oil and gas bearing interval encountered between the measured depths of 12,309 feet and 12,656 feet in the Bass Enterprises Production Co.--Beshel Industries No. 1 Well, located in Section 32, Township 17 South, Range 14 East, Plaquemines Parish, Louisiana.
 - 9. To consider such other matters as may be pertinent.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 North Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated January 18, 2002, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these matters and a pre-application conference with respect to Applicant's proposals was thereafter held beginning at 10:30 o'clock a.m. on February 8, 2002, at the offices of Louis Gilbert in Metairie, Louisiana. Attached is a list of the names and addresses of those persons present at the conference.

On behalf of Applicant, Mr. David Smelley explained the purpose of the conference and Mr. Louis Gilbert presented the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. Following Applicant's presentation, there was a general question and answer period concerning the proposals of Applicant, after which Mr. Ted Becker, representing Wesley Gravolet, presented a counterplan which proposed creation of a geographical unit for the producing interval in the Beshel Industries No. 1 Well. Mr. Becker indicated that in connection with his counterplan he would oppose the zone definition proposed by Applicant and also the exemption from Statewide Order No. 29-E spacing for future replacement or substitute unit wells for the unit. Representatives of the Beshel Interests indicated their opposition to the counterplan. After a discussion of the counterplan, the conference was adjourned without any compromise having been reached.

Attached hereto is a plat outlining Applicant's proposed unit, which plat is identical to that attached to the pre-application notice. Also attached hereto is a list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal

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Notice in a newspaper published in the general area of Pointe-a-la-Hache Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check payable to the Commissioner of Conservation for the application fee.

rours/very truly,

David L. Smelley

Attorney for Bass Enterprises Production Co.

DLS:dp Enclosures

cc: Mr. Richard D. Hudson (w/encl.)

Mr. Larry Hoover (w/encl.)

Mr. Ross Sutton (w/encl.) Mr. Les Landry (w/encl.)

Mr. Louis Gilbert (w/encl.)

Interested Owners, Represented Parties and Interested Parties (w/plat only)

